

Audit and Finance Committee Meeting Transcript – 06/25/2019

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. >> Good morning. I'm Alison Alter, Chair of the audit and finance committee. We have a quorum so we're going to get started. First is to approve the minutes of the meeting May 29th. Council member Pool moves for approval. Mayor Adler, second. All in favor, aye. Passes unanimously. Does not look like we have any citizens for citizen communication, so we will move to item 3, which is the audit of APD body cameras that looked at whether Austin police officers are using body worn cameras in accordance with policies, state law and best practice guidance. >> Thank you. Good morning. This audit was managed by Katie Houston and led by Cameron LaGrown. Cameron will be making the presentation this morning. >> Good morning. Let me get set up for a second. Good morning, as Corey said I'll be doing our presentation for our audit of police officer department's body one camera program. It started in 2015 to increase transparency and accountability in its interactions with the public. As of April 2019 all sworn APD officers excluding commanders and chiefs have been assigned a body camera. The cameras, as you can see -- oh, let me click. The cameras as you can see on this slide are attached to the

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officer's uniform with a clip and placed on the center of the officer's chest to capture their field of vision. Video is started when an officer opens up the car door or when the officer pushes the event button. Officers can stop the video manually by holding the event button. APD has policies in place that generally align with state law and best practice. APD set up docs and substations which you see on the slide. Officers have been trained on policies, use of cameras and how to upload the videos to APD's cloud storage site. Abt identified issues throughout the history of the program. For example they replaced new mounts after the cameras were reported to be knocked off with the original mounts. We reviewed 151 body one camera videos and found officers are generally using their body camera according to policy. As you can see on the slide, cameras placed correctly and stay attached on officers

uniforms and continue to operate in implement weather and 9 percent the camera recorded audio for the entire video however we also found APD supervisors were not conducting inspections of body cam videos. We reviewed audit logs and found only one of those had been viewed by a supervisor. Also in a memo to APD leadership patrol supervisors stated they thought body camera and dash cam video reviews were redundant and never identified any officer wrong-doing. Our video view showed 3 percent did not begin before the incident and 4 percent stopped

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after the incident. There's not a complete picture of the officer's movement and full evaluation of the officer's performance cannot be completed. Without this supervisory inspection these issues may continue to go undetected and uncorrected. Compromising the effectiveness of the program and APD's relationship with the public. Various groups have been involved in setting up APD's body one camera but APD does not have process to continually monitor the program. They also don't have program goals for this program. Some examples of the program goals could be the number of videos available for calls or number of videos uploaded without a case number or category. Best practice recommends the departments collect and release this eight data and identify areas for program improvement. Our second finding was APD staff did not track the number of information requests the department receives for body one camera video or the number of body camera videos released or withheld. We reviewed a couple recent examples of information requests and found the department complied with state law and staff reported they are working with the vendor of the information request site to add this tracking functionality. The 2018 agreement said that the office of police oversight will have access to confidential police department files including body camera video. As of February 2019, opo can access these -- this video through APD internal affairs staff. Op0 will use the video periodically assess body camera use. We issued three recommendations to make sure the supervisor inspections are taking place, designate an individual to provide program oversight and to regularly report on information requests. Abt agreed with these

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recommendations. >> APD, would you like to make any comments? >> I'm not sure. Okay. There we go. Mayor and council, good morning, I am one from the assistant cheers, this is commander Brandt Dupree, who is in our police technology unit. That unit has been primarily responsible for the roll-out of the body worn camera. As said, we began the program in 2015. We didn't start rolling out the cameras until October 2017 and completed that roll-out approximately one year later in about 2000, in the last quarter of 2018. Obviously we've had growing pains and as the audit showed there were a few things that we can certainly improve upon. I do want to highlight a couple of -- a couple of -- or some of the bigger points that the auditors' office is making. First of all, with regard to the statement in the report it says APD supervisors have not been conducting inspections. I am not sure how many supervisors the city auditor's office spoke to. I know they found one that was holding off on conducting the audits due

to the fact that we were in the process of retooling our audit -- our complete audit process for all of the different audits that we do. So, on a quarterly basis, we not only audit hit body worn camera, but our digital mobile audio video or in car video, they will look like things like their vehicles, the equipment on their belt, the their tasers, their weapons themselves, the handguns. They look at a lot of different things on a quarterly basis for every single officer. And we were incorporating all of that into one process. So, while we never explicitly told our folks to continue the

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audits. They took that to mean that we were in the process of we doing our audit process and to just hold off. So, there were many soup viepers who in fact were conducting random audits during the time that the city auditors were examining, and so, you know, obviously we have already shored up making sure that everyone is conducting quarterly audits. We completely -- we did the form that risk management now monitors, and make sure those audits are taking place. With regards to videos -- and if we could go back to the slide that has the actual number on there you go, so, with regard to the videos the city auditor's office identified, I kind of want to point out that since the program began, as of April 2019, we've uploaded over 2 million videos. Currently sitting in storage today is almost 1.1 million videos. So, they looked at a very small fraction, 151 video, which were not the subject of a complaint, or some other action, such as a response to resistance that necessarily would have supervisor looking at those videos. Most of the video we have sit in storage should we need to review them, they are there. And we retain them at least for 181 days to make sure that if it's an object of that is subject to restriction of civil service time that we retain that for that entire period. We also have measures in place to ensure that if it's tied to a criminal case, that it is

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retained for the statute of limitations of that criminal case. . Most of those are -- it's Fess for an officer to go in, as soon as he finishes the call, to go into his city-issued cell phone to categorize the video and make sure it gets uploaded properly. Sometimes officers will go in and enter the case number incorrectly. They'll transpose numbers or do something else. Oar they get called off a call very quickly and gee to another call, so they don't get back to this call immediately and of course with, you know, 1900 people using these cameras, we're going to see some mistakes that are made, we've worked with the vendor for every single vendor. If it's not categorized. It's automatically ingested and tagged base on what the C.A.D. Call was. Sometimes that's correct and sometimes it's not. We did see some officers who thought that the integration is an care of. I don't need to do anything further. We're in the process of remedying that, to make sure officers under. The primary way of tagging these videos is the officer dos sitting. Not the integration. >> The integration is a back-up plan. All that to say, when we look at numbers up here at 4 percent and 5 percent 11 pierce. These are pretty small numbers compared to the actual number of videos that were looked at. Sometimes as small as four videos, in which they identified that sometimes a 30-second pre record is not occur.

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I think we're still experiencing growing pains with the program. It is a good program. We've seen hardware and software issues, and we report that to the vendor and constantly working with the vendor to make sure those get remedied. We also saw officers that didn't do it the way we prescribed. So, working through our training methods to make sure we're pushing out bulletins we're getting officers in ongoing training to make sure they're doing it correctly. When we see they're not doing it correctly, we make sure we take care of those issues. What I'll close with. Our body worn camera has been worn by the department of justice and vendor as a model program where we've been highlighted in various conferences as the way a body worn camera program should be done, everything from how we started the program, and the engagement we had with the community to talk about what we're trying to accomplish with the body worn camera program, all of the way through full implementation and how we are overall managing the program. We did agree with the recommendations made with the city auditor's office. In that the first being to provide quarterly reports to executive staff. We've initiated that process through our risk management division and the first report will come out next month. The second one being -- having some kind of an oversight to look at developing metrics and program goals. We're in the process of doing that and hope to have that in place by August 1st. And finally, on how we track our

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public information request through our public information office. We worked with the city vendor on this. Fqa, to make some changes to the software so it's much more easily accessible information for our staff to be able to respond to these kind of >> Thank you. Appreciate the additional information question. >> Pool, I think you have a first question. >> Pool: First I want to thank the auditors for coming in and looking at this program. This was a program that has garnered a lot of public attention and I thought it was really important that we go in and see how the early days of the adoption of the body worn cameras would roll out and whether there would be any issues that might show up at the front end so we can address them. I also want to thank the officers for their diligence and the training and adopting these new procedures and understanding the motivations behind it, because it benefits all of us to know what is happening on the street. I did want to suggest that with regard to the review of the tapings of the recordings which I understand happened hardly at all, is that correct? The audit that you found. Is that correct? >> Yes. >> Pool: These numbers are not super high, I would agree with that. On the other hand had they been reviewed from the very beginning, a sampling of them. If they were reviewed my guess is the numbers wouldn't be that high. I think they would have been lower and I think the training that has been -- that is necessary as a result of the audit, where the covering up of the body worn camera, the zipping, I understand you now have outer wear that only zips up as far as where the camera is located, I think we may have been even more anymore many in identifying these shortcomings, again, agreeing that there's not

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a large number. But, again, that number could have been even lower if we had done the reviews that I think were anticipated and expected by staff. Any thoughts on that? >> Council member, a appreciate that. What I will point out is that the changing of the -- what we did -- what we noticed ourselves outside of this audit was that, yes, we were sometimes covering it, the camera up with outer layers of clothing. So, to remedy that, we started issuing a second body worn camera mount to officers so that during the cold season they could go ahead and mount that to their outer jacket and when they put the jacket on. Quickly take the camera off one mount and stick it on the other. So, that remedied that. Also our old style or traffic vest was actually one you threw over your head and did not have any kind of thing in the middle to open up. So, we changed that and we issued new traffic vests that now zip up in the front and they just zipped them up right to the bottom of the camera. So it still stays on. The officer still has that layer of protection, but we're not missing that video. So, these are things obviously that it would have -- certainly would have been good to know at the very outset, but as the program has come along over the last basically eight months since full implementation, we've been making a lot of changes >> Pool: And just my last follow-up question on that topic, what sort of review procedure and protocol will you now follow? >> So, what we now do, we have a fully integrated and kind of organized audit procedure that our supervisors, our street level supervisors are doing for all of their folks and that includes on a quarterly basis to look at a number of their videos, both in car and body worn camera video to determine a number of things. Are they turning it on and off when they are supposed to? Are they doing what we call a

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1041 check which is right at the beginning of shift, they are supposed to check the camera, make sure it has full functional, play that back for themselves to make sure that it's working. Did they do that? Our -- and not just to make sure the cameras turn on and off correctly but what are they seeing on the camera. And they are monitoring their officer's behaviors to make sure we are not taking -- you know, part in any kind of racially based or motivated behavior to make sure -- we're looking at all aspects of what the camera is capturing. >> Making sure the camera works properly. >> Is that part of the performance reviews that you do with the officers? >> It is. >> Pool: As far as what you see on the review of the camera recording? >> Yes. So the plan is, I've gone ahead and had the commander over our risk management division to head up a work group. It will be composed of various levels of ranks in our organization to figure out what are these performance goals and our metrics going to be, so the group will be formed within about the next month and begin that work, and we certainly -- you know, we stand ready to report back to council on how that work goes >> Pool: Thank you so much. >> Thank you. Council member Flanagan? >> Flannigan: I have a more rosy view of the audit. I'm seeing 100 percent of time it was placed correctly and 99 percent of the time it continued operating and 99 percent of the time the audio was still running. I want to thank you you and the department for fairly quickly

adopting new technology. The police department is not a software development company where technology is not expected to be adopted at the snap of a finger. Obviously there's room for

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improvement. I know you'll make that improvement and thank you for calling out where those areas of improvement are and where those areas are going well. I thank you all for that. I would encourage management to consider whether or not civilian review is more effective than having the very highly paid, trained officers sitting in front of a computer reviewing maybe it should be someone else, maybe an extension of the opo, the police oversight office. That might be a better use of resources in order to get more of these videos reviewed and they can kick them up for action. But at least getting that review might be better done by civilian staff. >> Mayor Adler? >> Mayor Adler: I want to join with council member Flanagan. We rolled this out pretty early in the process and at that point, the use of body cameras required real cultural change. And I know that there were a lot of forces around the country that were reacting to the technology very differently, and this was a really embracing community. Both chiefs that oversaw that, saw that as an opportunity to protect and to inform our officers, and I think that was really the right way to look at it. So, I also want to compliment you on that. It's also interesting to note, one, I think the numbers are real strong. But it's that one incident that happens when a camera's turned off that then becomes a defining we see that happening right now in South Bend, Indiana. Do we know why -- and I know it's a small number, but even a small number, if it happens to be the time when something happens, will be an overriding number. Do we know why that 4 percent number exists, why cameras aren't on when they should be?

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>> Quell, I want to thank both council members for recognizing that. And we certainly appreciate that. We feel like we've done a pretty decent job of rolling this program out. As far as the small numbers go, mayor, I would say that the 4 percent that we're seeing, and the 3 percent that was -- there was a number. 3 percent were not activated at the beginning of the incident. 4 percent did not record to the end of an incident and 4 percent had an obstruction in front of the body worn camera lens. And I'll start with the last one. >> The body worn camera lens sits directly in front of their the city auditor did see that occasionally something would pass in front of it, so that for a second it's obstructed. These were ones where they saw an obstruction for a longer period of time. And in one in particular that I can remember, the officer had tucked his ticket writing device under neath his arm and was writing out something. So, his arm was actually blocking the camera lens. It's tough to, no matter where we place it on our body, that we're going to guarantee 100 percent of the time that that is not going to be obstructed in some way. But we do -- what we wanted to do was, when it was unobtrusive instructed we wanted that camera to have the very best -- capture the very best video that it could so we felt it was really important to put it right here in the middle of the chest. As far as the videos that were not activated or did not record to the end of the incident. A fraction of those, and I wouldn't give you the

exact number. There were software issues or some kind of hardware issue. But most of them is because of human error, and that officers would either not activate it in a timely manner, or they deactivated it prematurely.

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As we find those. Occasionally we'll find them on our own outside an audit or through one of our own audits we address it individually with the officer to make sure that -- to find out why did you turn this camera off. We have not found the case yet where they didn't have a pretty good excuse for why they did it, and then we take that as a training opportunity to make sure that it doesn't happen again. Those same stories, we take out the names and highlight those in the trainings for brand-new officers to say please don't make these mistakes. It's kind of an evolution for the training to make sure we are really keeping the human error to a small number. >> I think that's good and use it as a training opportunity. In Indiana, there was some confusion of what was the protocol for turning on the cameras. And I know that in some instances that happens automatically by virtue of the technology. Is our policy that the cameras are turned on whenever there's an interaction with someone in the public, except for those instances when, for privacy reasons, cameras are not supposed to be on? >> So, our policy is that an officer is having interaction with anyone, that their cameras should be on. We have seven different triggers inside of a vehicle to where, when they are getting out of a vehicle, or they exceed a certain speed, they brake very rapidly or a number of different things happen that the body worn camera and in car camera both will automatically turn on. What we're trying to do is set them up for success, so we're not depending on them to activate that camera. Sometimes what will happen, an officer exits the vehicle, the camera turns on. They handle the call, they think the call is done and they

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deaction I have Tate the camera and turns out that call was not done. So, as they go to either reactivate the camera or they forget, we lose video. We lose video and pre record. We lose video all together because they got distracted what was going on and weren't thinking about a camera. But those are very, very small numbers. We also set it up to where a blue tooth burst comes out from -- as car's pulling up and that car door is opened, if officers that are standing there, their camera is not activated that blue tooth burst will activate those cameras. I mean, we've done everything we can to make sure those cameras are on as much as possible. >> Mayor Adler: Two other issues real quickly the first you talked about which is back log and processing videos, I think the newspaper article indicated up to a ten month delay in potentially getting cameras to prosecutors and you said you were looking at that and trying to figure out ways to do that. Mr. Flanagan suggested, as part of that, if there's a way to make that more administrative, more clerical, that then someone helps officers so that they are -- to get that done, I think that's an important thing to continue working on. And then the last thing, if you would comment on it, is the relationship between body cameras and the federal programs. We have a policy to turn on our it sounds as if some of the joint task force with federal government, heretofore, we've been

following our policies and procedures in those instances, but it sounds like the federal government has raised some issue with that. Could you talk about that? >> Sure. So, the federal government has -- with respect to any law enforcement action that they are taking in the field, has their own rules saying that body worn cameras will not be worn. Our deputized task force officers that sit on those task

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forces have to abide by the federal regulations and the rules. So, we've been in discussion for over a year now with the department of justice about our desire to have our folks -- we're not going to mandate obviously what their folks do, but our folks that participate will use their cameras. We have not come to term on that a number of departments across the country are struggling with that right now and are trying -- as a matter of fact I think Atlanta was the one who pulled their task force officers off those task forces until they could use body worn camera. And we have the same fear something will happen that will not be captured on video and there will always be questions. We certainly don't want that to happen but we don't want to pull officers off task forces either because that doesn't make our city any safer. There's a number of task forces that we participate on, and specifically, I'm thinking about the lone star task force, the marshal service in which those folks apprehending some of the most violent criminals that are out there and we don't want to deplete that or take it completely offline, because we have a number of folks that participate. >> Mayor Adler: Everything that you can do to continue those, because again that's going to be the one time that something happens, and the impact on trust, which also impacts safety in our community, will take a significant hit, and if that ultimately happens. So, thank you for the continued advocacy on that issue. >> Alter: Council member Tovo? >> Tovo: My comments are in line with that. For a brand-new program, these are good, very strong results. I appreciate all of the officers and those who helped make this part of the culture. And I appreciate the auditors' review of this, I think it's definitely highlighted some opportunities for improvement, especially with regard to authorization. As I look at the numbers with

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regard to -- I think the most -- well, one of the significant measures is the camera lens being blocked, and to have six of that, and five caused by really a wardrobe choice, I think is very positive. I assume with that one case. Is that the one you described where they were taking the report and had it under your arm? You had referred to training opportunities and I assume that was one where you then informed people via a memo or something, be careful about where you put this so it doesn't block. >> I think most officers are very aware. They are so used to wearing the cameras that they are careful about slinging a rifle, for instance, in front of that camera, because then the rifle will actually block the camera lens or doing this to where they are getting very good at it generally we see that a small number of times to and they are addressing it with the officers to make sure that's not happening. >> I guess my question concerns page 5 of the report. The review of body worn camera videos reveal officers generally using their cameras according to policy however many videos are not started and stopped properly.

Camera view is often blocked and video characterization is not added consistently and accurately. I think the last point I would agree with the video characterization is not consistent and you addressed how you altered that going forward. The camera view also being blocked. I wondered if I was missing something. Because there were six cases identified. I guess what is your measure for -- are you looking for comparison to other departments using body worn cameras and

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their assessment. If I just read these numbers many videos are not started and stopped properly and camera view is often blocked. I probably would have expected higher numbers to reveal themselves. >> Sure. The camera view is often blocked, as it states in the report. We saw many cases throughout every video where the officer blocked it briefly with the notebook as they are writing something or maybe with the E ticket writer, so we did see several cases where I would say the camera is often blocked throughout the video. Those six were the ones that significantly blocked it in a way where you missed portions of the video. >> Tovo: I would suggest, especially on a topic like this, this seems -- again the camera view, the assertion that camera view is often blocked doesn't necessarily capture the nuances that you just explained to me. So I would just suggest that that's -- I would make that observation. >> I think that's language we can adjust. What we were trying to portray in the audit. While we saw it blocked multiple times in many videos throughout our 151 that we observed, the ones that were most concerned about were not like somebody briefly covered their camera, but more there was a long period of time, several minutes or even, I think up to 40 minutes that were covered, so those were concerning, those were the ones we included in our percentages. We can certainly add that nuance. I think the one you're describing that are significantly blocked are concerns after all of us. The ones that were stated. I appreciate those being focused on either for training opportunities. With regard to the characterization, how does that so that impacts -- when they are miscategorized, they are not necessarily retained as long as

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they need to be. Do we have a sense with the universe -- with the kind of characterizations that are being misapplied how that impacted the retention. Can they give examples how something should have been characterized as, and how that impacted the retention schedule? >> Sure. We saw several examples of that. In fact all of the ones that are listed as mischaracterized in this report were characterized at a lower retention rate than they should have been kept at. So, that could be a case that was characterized as a police event which will mean it will stay for that 181 days but maybe it was supposed to be characterized as a five year or ten year, so, we're looking at keeping it for the complaint period which is good but not keeping it for the full retention period for that evidence. >> Tovo: And is there any more detailed information within our >> Not within the report we have that we could provide. >> Tovo: I think that would be interesting to see, but I also wondered, too, if that's while you're working on training for better percent characterization, is there a way to set the default so that it automatically

retains for the five or ten-year retention schedule rather than the lowest, so that if there is a mistake, there's a mistake that errs on the side of retaining it for a longer period of time. >> So, to that point the default is indefinite retention, so, if an officer fails to characterize a video, it's automatically retained indefinitely. It -- what the problem we run into is that an officer might have meant to put it for five years and in fact he put it for two, or, he put it for two purposefully when it should have been retained for five and those are where we are constantly having to -- it's very hard for us, because we don't have as many -- we can't go by every

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single title code in the penal code to say if this is what the call is this is how long it should be retained. We depend on the officer's knowledge to know. This is a stage L felony, this is a third degree felony. This is the statute of limitations and this is how long they should be retained for. That's an ongoing training that we have to have with our officers to make sure as we see those -- what's good, to my knowledge, we have not lost one. We have not had one roll off that in fact, you know, we lost a case or something like that. What you're saying the 5 percent of videos that were not categorized would have been automatically retained indefinitely? >> Not necessarily. If they were a two year, and should have been a five year those could have rolled off in two years. If an officer does not characterize one at all that rolls to indefinite. >> Tovo: I think that was the differs between 5 percent and 12 percent. The 5 percent, if we could see that slide with the percentages again. It's on page 2. >> Tovo: If I understand what you're saying the 5 percent that were not characterized would have been retained but the 12 percent that were not characterized correctly would have been and often were characterized at a lower level retention schedule. >> Yes. Taking a look at this. I see where you were headed with that and you're correct. >> Tovo: Okay. Thank you. And that's a training issue? >> Yes, it is. >> Tovo: That you're working all right. Thank you very much. I appreciate it. I think that's all of my questions H. >> Alter: Thank you. I want to join my colleagues in thanking APD leadership officers for embracing this new technology. Of know there were a lot of growing pains and part of what

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this audit reveals is some of the things we still need to work on and I think there's values. Thank you to the audit staff for moving this forward. Some of the things I'm really interested in learning about is how we're using the footage in our training. You mentioned a lit about how you're using footage with respect to raining folks on the cameras, but are you able to use this footage when you're training officers to improve their effectiveness in other ways? "S" can you speak to that? >> Sure. Thank you for the question. Yes. So, we have body worn cameras issued out at training to train incoming cadets not only on the functioning of the camera, on how that camera works but then they can also characterize that video as a training video and go back and watch that. Any video that a sergeant on a shift deems that they would like to review for training purposes can pull that up in a show-up type atmosphere, they could show the shift, footage of that video and use for training purposes and our policy covers how that

is handled. >> Alter: Is that a practice that's being used at this point? >> Yes. So far we've gotten great feedback on not only the view of the camera but footage and quality that it provides, and that we've spoken to many shifts, who are incorporating the footage that -- on the cameras into their training cameras. >> Alter: It's great to see that there's value beyond the transparency, that there's also the value for the training and helping our officers to be more effective and to have some more examples of things. There were a couple points within the audit that I wanted to delve a little deeper on. So, says that -- it gives a percentage of videos upload within 30 days of creation. The policies are supposed to be uploaded that night. So the fact there's any that are not getting uploaded that night

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is a breach of the policy. I'm particularly concerned about the 26 videos in this sample that were not updated within the 180 days. And we have -- we see that number, 180, in a lot of different places. So, how is it they are not even getting uploaded if they are supposed to go back with their shift and upload it? How does that happen? >> So, I brought this -- I brought that very point up with the auditors, because they had not highlighted that number, the 26 videos, to us. Why asked for the case numbers. We investigated it. And what we found was that 14 of the 26 belonged to one officer. 13 were recorded on the same day, and one was recorded the following day. When we looked into that camera, that camera had malfunctioned and we had sent it off to be repaired. When we send it off to the vendor, they -- you know, of course there's the shipping there's the time that they put it in queue to actually look at it to see what's wrong with it. And what they do, they upload it into a tenant where it's housed until it can be moved to our tenant. That delay was over 180 days. So, that was 14 videos. We had one video that was a training video that was, as commander Dupree was talking about, was not part of our normal protocol. It was out at the training academy. The remaining videos were all on devices from various officers that had malfunctioned. So, out of the 26 videos, none of them was there a -- it sat on somebody's desk or somebody's car or wherever, and they failed to upload it. These were all, with the exception of the one training video, these were all devices that had failed. We brought that to the attention of the auditors. I'm not sure why they included that figure in the end report.

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>> What page is that on? >> Alter: It is on page 9. I have additional questions but do you want to speak to that point? >> I would just say we completely under it was a software issue. That there were issues that happened, but from our perspective, where we are looking at it from a -- this means that the videos really never existed. By the time they were uploaded they were immediately queued for deletion, so they basically don't exist. For us that was a problem. Not so much that a software malfunction occurred but it took more than 180 days to protect that. Or really significantly more than 180 days by the time we looked at those, they were gone. So, I -- I understand the reason, but we still felt like it was worth highlighting in the report because it does mean that those videos were not captured for future reference. >> Alter: So, is there a way to, if you have a situation again, to change the policy so that if

there's a malfunction, that the clock start over and we address that? >> I'm sure we can talk to the vendor about a way to make sure -- this is 26 individual overs over a six--month period that they looked at. So, out of approximately, probably three quarters of a million to a million videos did we have this issue occur. When that video gets -- move over to our tenant, it sounds like it could be queued for deletion because of its age. It would defect the age and the fact that maybe it's tagged as a police event and would auto-delete. That's something that certainly my unit can work with the vendor to see if we can remedy that. >> Alter: I think that would be a good thing to do as a follow-up. Broadly speaking, as we're rolling out a technology like this is useful information that we're bringing in. We can learn from it and improve the policy. I don't think anything in here

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suggests that there are major problems, but it is a learning process. It's massive technology and cultural shift, so I want to take what auditors present it as an opportunity to learn and update the policy. The audit -- my next question is, with the audit, it focused really on sort of the sample of cases which were not necessarily incidents of import that were going to be followed up within the justice system, et cetera. What have you learned about the cameras in situations where you had an incident, and you've used the camera's footage in order to help? Are there findings from that that have also informed changes to policy or things that we need to be paying attention to in those cases which are probably far outnumber the number of cases that were looked at by the auditor for this audit? >> I think I highlighted a couple of them earlier. With regards to, you know, making some changes about how we place the body camera, and adding the extra body worn camera mounts to the exterior jacket and new traffic vest to make sure we're capturing the evidence, what I can say is that from the time that I saw the very first body worn camera video that captured an officer involved shooting. I realize this is a game-changer. And this was something that was going to greatly increase the transparency for the public, and for mayor and council, for our department on how we handle these kind of calls. And did we do everything that we could to deescalate. All of those kind of issues, I think are informed by the process, and the cameras have kind of fed into that. So, it's an ongoing thing, where if we see an officer that maybe

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did not deescalate in a situation in which, say, there was a response to resistance, then we're taking that opportunity to highlight, not only what that officer, and take any disciplinary measures that are necessary, but also with using it as a training opportunity for other officers to say, what could we have done better here? >> Alter: Thank you, you mentioned earlier that we had a model program and we were being used as an example with other cities. I'm curious what we're learning from other cities. I understand it may be as often the case for Austin that we're a little bit out ahead, but how are you learning from other cities in terms of adjustments that we might make to our programming moving forward? >> What we do is attend conferences with other, you know, with other departments to talk about things, such as our body worn camera program, and other types of technology that employ, to

look at, what are the best practices and I really think this is how the department and nij develop the best practices is look at different programs and figure out what are the shortcomings, what are the shortfalls in in those and highlight them and put them into model policies. I don't know if commander Dupree wants to talk necessarily, because he attends most of those conferences. >> Thank you. I appreciate it. We also have contacts at other departments in their technology units such as San Antonio, ft. Worth, LAPD who we reach out to when we encounter an issue such as the mounting issue. We worked out to several departments saying how are mounting on your body cameras affecting you and what are you guys doing about it. Mounting was an issue that we've seen in the departments we've had contacts in.

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Characterization is another one we're reaching out to other departments. They are providing us input. They are having problems with characterization as well. Those are things that we ask what their policies are, try to compare them to our policy and through the grant funded portion of our program we had a act at the department of justice, they reviewed our policies when they were implementing our program. Any time we have a policy question we reach out to D.O.J. Contact to see what done from their perspective nationwide on body worn camera programs and have them look at changes we are thinking of implementing. >> Alter: Thank you, I would like to end Terp tan a motion. Council member pool moves to adopt the audit. Is there a second? Council member tovo? Any other comments council member tovo? >> Tovo: I have a quick question. In answering our chair's comments. There was a transcript of you saying something about three quarters of a million videos fell into the category that you were describing of videos that had not been uploaded, or had run into technical issues that prevented them from being uploaded. Was that accurate? >> What I was trying to highlight, the city auditor's audit looked at approximately six months worth of video, I believe, and over that time, that's approximately how many videos were updated? >> Tovo: About three quarters of a million? >> It's just a ballpark figure. I would have to actually look at it to get the actual number but out of those, we looked at six videos were really hardware issues except for a training >> Tovo: I wanted you to clarify that. The way it sounded, it sounded like a much larger number, so, okay. Thank you. >> Alter: We should clarify that they didn't look at the three quarter million of the videos, they looked at 151 or

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so. >> For the purpose of that, they did look at all of the videos. >> Alter: Oh, they did? >> They did. >> Alter: Okay. Thank you for that clarification. All of those in favor of the motion? Mayor in >> Mayor Adler: I'm unclear with respect to the issue that council member tovo raised that one paragraph. I think really is not descriptive of it. If someone is reading that report later, I think they would affirmatively lead with a different question. Just to put a qualifier in the final report the issue that it explains that nuance would be really helpful for the record. >> That's the issue I -- >> On page 5. >> Just the line about 5, the many videos not started and stopped and the camera view is often blocked. We didn't talk much about "M," but I do have, I guess I have a similar question about that. About the percentage for those that

were started and stops. Started a little -- started late or stopped early. You know, again, I'm not sure rises to the level of "Many" there. >> Sure. And we agree, we'll look at the language there and make sure we added nuance that we discussed here today, whether or not that's many or not, I think we need to add that while the camera view may be periodically blocked, what we were concerned about for the purposes of the audit were really those lengthy blockages. >> Alter: Is there any objections to the direction to adjust that being added? Seeing none, are we ready to vote for do you amend? >> Tovo: I guess the question is, sort of how does that happen? Does that happen -- >> This is a draft report. So, before finalizing the report, we would make those we can share those with the committee if you like before we finalize the report but my idea would be we take that input from the committee and incorporate it into the final report. >> Tovo: Thanks. >> Alter: I believe at this point the draft report is not public because it's a draft, was

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shared with the committee so we could review it before hand. Is that -- >> It is posted as back-up. As of yesterday it was posted as back-up. First with the big draft stamp we can make changes prior to finalizing. >> Alter: Thank you. All in favor of the motion? It's unanimous. Thank you very much. Miss stokes did you want to speak to item 4? >> Yes. As soon as I remember what that is? >> We actually -- this was the permitting process improvement. We would like to request postponement to the next audit and finance committee meeting which is, I believe, April 14th -- August. Did I say 14th? >> You said April. >> Oh, August 14th then. It starts with an "A." Yes, we would like to request postponement to the August 14th meeting to complete the response process with management. >> Alter: Do we have a motion to postpone? Council member pool, second tovo, all of those in favor? It's unanimous. Thank you. Mr. Vano, welcome. >> Good morning. I'm the chief financial officer to my right is Eric Nelson corporate budget manager in the budget office who worked extensively on our tiff analysis and presentation report. Our presentation today is to present you to proposed policy changes to the financial policies encapsulated in the budget document based upon feedback we received from the group today we would make tweaks and changes to these proposed policy change, incorporate them into the budget document delivered to you on August 5th and seek adoption from the full council of those changes. We are proposing three changes to our financial policies this

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year. The first would be an Austin resource recovery. This is really a clean-up item, so, going way back, Austin resource recovery established a separate stand alone fund related to monitoring and post closure care of the city's landfills. The idea was at the time that we would be setting aside money annually and building up a true reserve and drawing that down as was needed. Turned out that's not how the administration of the closure of the landfill has worked out. It's really an annual operating it doesn't fluctuate a lot. It's about a million dollars per year they spend on that. What they've been doing is budgeting that as recurring annual operating budget. That's what they will continue to do. This fund has

actually not existed for about five years now. So we're just proposing to clean up the language saying we will continue to do post closure care of the city's landfills in compliance with the federal and state regulations. We'll account for that and budget that in the Austin resource recovery fund as opposed to this separate reserve fund. >> Alter: Do you want to move the slide? >> I am so sorry about that. That's what we've been talking about. For this we are striking out underlying language, you can we're trying to clean up that language a little bit. If there's no questions on that I'll move on to the second which has to do with the employee benefits reserve fund policy. There's two parts to this policy. The first part we're not proposing changes to. It says we should have a individual specific stop loss policy. Shall be maintained for the city's health plan. We self insure as a city. We have a top loss policy set at 750 thousand. We have some protection against very large claims which might we're not proposing any changes to there. The second part of the policy says in addition to that individual stop loss policy, we

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should have an overall stop loss reserve for the fund. Currently it says in an amount recommended by the city's for years that amount has been right around the 10 percent level. So we're proposing to formalize that to be clearer on what our reserve policy is for this fund. That we will have a reserve equal to 10 percent of the cost of employee and retiree medical benefits and retain that in the reserve to provide against protection against fluctuations in our annual claims where we don't have certainty about the degree of claims that we'll see in any given year. We want to make sure we so this really isn't a change. We're trying to be more transparent of the reserve we're actually keeping. The final policy, the genesis of this came from council resolution that directed city staff to bring back recommendations examining the use of tax increment financing for affordable housing and update Austin's tif policy to create or incentivize more affordable housing. There was also a housing and planning committee action taken back in January of 2018 that directed staff to look to policy and to align it with the . Strategic housing blueprint. Based on those directions research was a law of best practices, we looked at other large Texas cities, also into academic research on the matter. And ultimately worked with our city treasurer and our city's financial advisor on the policy changes we're proposing to the city's tif policy. In the report that we've provided in your packets, the report that came out at the end of the March, both the full current policy and the full proposed policy are

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in those reports. Most of the changes are kind of minor, language clarifications, maybe rearranging where the policies are. The substantive changes to the policy, though, we've tried to summarize on this slide. The first of those would be to increase the cap on the percentage of city taxable value that may of included within the reinvestment zone. That would be September at five percent. Staff would propose increasing it to 10%. The amount of the city's taxable value that currently resides within tif Zones is for all intents and purposes within our existing policies, council would not be able to do an additional tif without revising this policy. So in the spirit of the resolution which asked for creating flexibility to use tifs

to incentivize affordable housing, one would be to increase that cap. The second recommendation would be to formalize that would be a best practice and a current practice to require that all tax increment reinvestment have a but for analysis. The but for analysis is simply to demonstrate that the economic development within the tax increment zone would not occur but for the public investment into the zone. So that's both the best practice and the state law requirement. Begun, it's something we've currently done. We just want to stabilize that in our policies before you today. The third part comes from the discussion to align our tif policy with the strategic housing blueprint. On this item we're informed both by what's done at the city of Dallas, so the city of Dallas has far more tifs than Austin does and many have a component of affordable housing has a component of the tif housing perhaps. In Dallas they do set a 20% affordability for those tifs for those tifs that include

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affordable housing. We were also informed by the existing Mueller tif, though, where that -- part of that tif project plan the development agreement calls for 25% affordable of the housing units. The affordability levels, the 60% of mfi for rental and 80% of mfi for ownership, those are coming from the recommendations the strategic housing blueprint. So trying to align our tif policy recommendations to that housing blueprint. And finally if you look at your final policies in the report, our tif policies and pid policies are intertwined in looking at that and consulting with our financial advisors and city treasurer, we don't think that makes sense. Tifs and public improvement districts are different. We should have distinct and standalone policies for each. Also our pid also as is articulated in our current financial policies is rather outdated, so we're proposing to update that as well. We're just not ready to bring those updates forward to you. We anticipate that the pid policy changes would be coming to council prior to the end of the calendar year, but we don't expect them to be ready for the budget. Our proposal is to have the two policies, adapt the tif policy as part of the budget, come back to council with an amendment to the policies by the end of the calendar year to update and revise our pid policies. So those are the policy changes we have to you. What we would seek from council again would just be your direction and your input on the policy changes we're proposing. We will then finalize our recommendation and it will come back to you in August. >> Alter: Mayor, you had your light on? >> Mayor Adler: Thanks, just a couple of issues to raise. I know that the strategic -- the housing blueprint speaks about the 20% reach and 60%

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mfi. I'm real anxious for -- to see how the city got the calibration process. And I know that a lot of the direction that we gave as a council to the manager with respect to the code rewrite is going to require relative probably changes from year to year in market. It could change by geographic area or by type of project or by type of construction. And I think it's important for us to do whatever it takes to be able to maximize the depth that we can get to and the reach that we can get to. Recognizing that that is itself a mutually exclusive item, the deeper the reach you get, the less breadth you're going to be able to afford.

The greater breadth you start impacting your reach. So as I read this -- and I hope, by the way -- I'll gratuitously say, I hope that budget that comes from the manager includes that person we've always talked about, the economist or somebody that is on staff, and independently evaluates these calibration issues for us on development so that we bring that expertise in-house. Because I think it's going to be an ever bigger part of what we do. So when I read something like this in terms of a policy, I like to think that we get as deep as we can and as wide as we can and I want to put in numbers and I think that might change and there might be an instance where we're going to lose the opportunity to get some measure of permanent affordability because it doesn't fit this and we're not able to get that and I don't want to be in that position. I identify that as an issue and I'm not sure what the right answer is. Practice does that make sense at all? I don't know if we're limiting ourselves by putting that in an

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opportunity we might otherwise get in affordability. >> We did think about that and it is about striking a balance. Again, we were kind of looking at Dallas where they use tifs a lot and they do have that breadth issue of 20% of the units being affordable. You know, one of the considerations -- one of the things we've seen in Dallas is sometimes if there's a tif project plan where the affordability goals can't be met within the project plan, state law allows for the affordable to be outside of the zone so we've seen a couple of tifs in Dallas where they've done that, where the housing is not actually staying within the zone, but it can be achieved more cost effectively within the overall project by putting the housing outside of the zone. So that's something you can do under state law and would be one possibility to consider if this level of affordability within the project plan area wasn't achievable. >> Alter: And a half. >> Mayor Adler: Can I finish real quick? Three more things real fast. We also have sales taxes that are being -- going back to the other point, I need to think through that issue if we're going to be adopting a pal and I would like at some point to have input from the housing folks if that could be inadvertently a limiting factor for us. Additionally we have sales taxes that are not covered by the policies that are listed here. I know that in Seaholm and Mueller they collect sales tax from those areas and I don't know if we need a financial policy related to the use of sales taxes. Also not addressed here that be worthy of a policy consideration is the sunseting of these. We have certain districts that are out performing what the pro Forma, the expectation have been. So they're going to generate dollars above what's necessary to be able to retire the debt. What happens in those situations? Do we end -- do we pay it

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off early and let it go out of existence or do we say in those instances we want that money dedicated to affordable housing trust fund, but I think that probably also would be worthy of a policy discussion. And how we handle amendments to these policies, I know that waller creek, every time there's been a major change in the project there's been an amendment to the tif program, but in Mueller I think the project has gone from 35 million to 65 million and there's been a formal amendment. And I'm not sure when we amend and when we don't amend, but that also too seems like it's worthy of a policy conversation.

>> Mayor, if I might, Rosie Truelove, neighborhood housing and community development. With respect to the first question, what council would be doing is setting the policy to say this is our desire to have 20% affordable housing in these TIF areas. That doesn't mean that those projects would not still be available to come through us for gap financing like projects in Mueller have done over the years to be funded with -- partially funded with perhaps bond financing or bond dollars. So there is a way to still set the policy at 20% and find other avenues through development of the pro formas for each of the individual projects that are coming forward to find a way to make them pencil. >> Mayor Adler: I don't know if you're can in downtown where it is roll high and the subsidy to be able to drive the affordability can be really expensive. It could be in certain places we would still want to do a TIF function, but couldn't if we set these as the goal for the reach we would be effectively saying we won't be able to drive any projects. We could do something outside of policy too because we always have that option. I just don't know if in the

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absence of the calibration and the individuality that's different by area. So I raise that question. And then the last thing I have is you say that going from five to 10 percent cap. What do other cities have as their caps? Do other cities have caps? >> There's only one other city that has a cap. That's the city of Dallas. They recently increased their cap from 10% to 15%. State law limits it at 25% of value. So the other policies we've looked at in the state of Texas don't even speak to what the cap would be. It's just implicitly implied that the state law limit is the cap. >> Mayor Adler: Thank you. Those are my questions. >> Alter: I want to tell the councilmembers that we have several other items so keep that in mind with your comments. Councilmember Flannigan? >> Flannigan: Waiting for the setup. [Laughter]. So very quickly on this, I'm pretty skeptical about TIFs generally because it's not -- sometimes I feel that there are people in the community who talk about this as if it is some kind of like new tax or money that we wouldn't be otherwise collecting. I think the second bullet point that staff laid out here except for the but for analysis is really for me the whole policy. I don't know that it's not to create a cap. The state already has a cap of 25%. I think we can remain silent on that in our own policy. Not that I want to see us do a quarter of the city in a TIF, but that there's no reason to set an artificial cap that if we found a good project we would just override it anyway. Also, the projects that have housing in them, my understanding of TIFs is that that would only apply if the TIF included public land. So -- because otherwise the private developer is going to do what the private developer is going to do, which is the but-for. What is the development that is the new taxing value, new

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taxable value that we're getting in exchange for whatever debt financed project is that we're looking at, in which case I'm not sure that I only want 20%. Maybe -- we have other policies that talk about deeper affordability in certain circumstances. I don't know that the TIF policy, kind of to the mayor's point in both directions, we might find areas where we want to go deeper for reasons and find areas where we

want to go less deep for reasons. I don't know that the tif policy needs to address that. We will be evaluating them tif by tif. There really aren't that many that we're doing. So my preference would be just to focus the policy on the but-for analysis and really be clear about tifs being a tool only when that one specific check box is checked. Otherwise we are unnecessarily allocating tax revenues we would have collected otherwise. The other question I have, which maybe is a longer explanation, but I would like to have at some point, is the impact of property tax caps on prior tifs and what financial assumptions were made that justified those debt obligations that may not be the same under the new taxing regime. So maybe staff can provide that by the time we get into August. >> Alter: Thank you, councilmember Flannigan. I think that last point in particular is a really important one for us to have more information on, and I just want to echo the but-for emphasis. I think that's extremely important. And if I was looking at a future tif I would also want to know what we would need to maintain services from that if there's a way to just do that marginal kind of bump for the tif. It doesn't preclude that, but that but-for analysis is really important as we approach it. Councilmember tovo and then councilmember pool. >> Tovo: Yeah. I think there are a variety

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of topics that is -- a variety of pieces of information in the memo that we received that accompanies this that you distributed again today that would be worth our -- a fuller conversation. Like the mayor, you asked a question about sales tax. It's not at all clear to me kind of how this fits into this conversation. I'm not sure what you're suggesting. So I wonder if we could put this back on the agenda to talk about next month or at our next meeting and kind of dig into? I'd like to understand whether you're suggesting that we craft a policy where maybe the sales tax generated in a particular area goes back into reinvesting in that area? There's a lot of the questions that my colleagues have already brought up that I'm not sure I'm understanding their questions. With regard to the financial policy, I support -- I didn't realize we were so close to the five percent gap, so I support moving it to 10%. And I do want to see a cap. I think we need to be mindful of how much of our revenue has been designated to certain projects and that -- and having a lower cap than 25%, especially in a time of tax caps seems to me a very smart move. Again, with the recognition that your memo points out that in many cases the redevelopment that's part of the tourist boundaries is going to generate the need for new services that will have to be funded through property tax exams. If we're designating all of that money for a different purpose it can be challenging. And I would just point out, I think councilmember Flannigan, you said in some places we might want to do more than 20% units. I completely agree. I just want to note that it says at least 20%. That's a floor, not a ceiling. So I think these are very reasonable if we are kind of streaming the increased taxes into a -- for a particular purpose, then I think we should set those requirements.

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I think we should have some standards for what that housing is going to be so that we're not back in the conversation we had around Seaholm or Gruene -- or Green where we don't have that kind of standard

measure. So I'm ready to pass the changes to the financial policy, but I think it would be profitable for us either as a full council or audit and finance to dig more directly into the memo. One quick question I had, hopefully they're quick questions. In a couple of the projects that you highlighted, there's a gap between -- there is a gap between the -- let me just find it so I'm using the right language. There's a gap between the total taxable value and the amount of value that's being captured by the tizr. I'm sure there's a simple explanation, but I'm not sure what it is. >> When we had Mueller Mueller, -- as of the date we create the zone -- >> There already has been some. >> And that creates that other issue where, you know, if we did no project, that base value would continue to grow, but the law requires that we set it at a flat value. So you're always having a little bit of an impact on the general fund situations. >> Tovo: That's good. I'm glad those were both relatively small gaps so that we didn't jump in after the redevelopment was already in full force. And then my last question, and this probably is something I will have to take offline, but I see on second street I would point out to my colleagues because I think this is something we should address during the budget. On page 3 of the memo rereceived. The second street tax

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increment reinvestment zone, we're actually contributing money. I'm sure I was aware of this and forgot. We're actually contributing \$100,000 every year to that, rather than it operating the way that the other tizr do. So that seems to me as we look at ways to really look carefully at our general fund revenue spending, I would suggest that we revisit some of the parking agreements. I believe we are foregoing revenue opportunities up to about a million dollars in parking revenue for second street businesses and yet our general fund is contributing \$100,000 to that. So I had brought this up, we didn't have the political will to make a change to those parking arrangements, but I think in light of our current financial situation with regard to the tax caps, I think we need to, especially given that there's a general fund contribution here. >> Alter: Thank you. Councilmember pool. >> Pool: Thanks for this update on the financial policies. And I look forward to additional conversation that we take to the dais. I do agree that - I think we should adopt these today to continue to move it forward. I had a question for Mr. Nelson and Mr. Van eenoo. I'm looking at the memo that y'all sent on March 29, which was in response to resolution 20180301-23. Was that the affordability unlocked resolution? >> I think we put that in your packet too, the axo resolution. That one was specific to revisiting the city's tif policy with an eye towards mechanisms by which we could use tifs to incentivize affordable housing. I have a copy here if it didn't get into your packet. >> Pool: So the actual -- the impetus for your third change, which was mandating that any housing development related to a tizr provide at least the 20% of the units be affordable. >> It was both the resolution that council

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passed in March of 2018, but also the vote that was taken by the council's housing and planning committee on January 23rd, 2018 that asked for us to revisit the policy, look for ways to use tifs for

affordable housing and to align the policy with the strategic housing blueprint. >> Pool: So the direction with regard to the 20%, mayor, that you were bringing up, the point of the affordability unlocked and so forth was in order to get to these larger numbers, which I have been advocating for for some time. So I wouldn't be too keen at all on watering those down. I think as Ms. Truelove pointed out there's plenty of developers out there who don't need to have the assistance of the city in order to do a development. So we should be -- I think if we're going to continue to do align ourselves with the affordability unlocked and some of the proposals that we've agreed to that we really should be putting our dollars to actually the affordable units, buying those down. I know it's going to be hard throughout the city and that's what is so difficult about real estate transactions obviously because where they're located is going to -- is going to indicate a starting point for out expensive that land will be. And I don't know that there's really anything we can do about that. But if we are going to adhere to our policies that the affordable units will be everywhere throughout the city, then we're just going to -- it will just be harder. But I think we should try. So that's on that third checked bullet on slide number 4. I wanted to look at page 11 of the memo from March 29. I had two questions on that. On your recommendation number 2, it says in here that while a tirz can potentially result in the creation of additional affordable housing units, that's not their primary function. And that homestead preservation Zones are.

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So I wanted to know if in a further meeting we could show a chart with tifs and tirz and how that compares with homestead preservation so that we could have-- I could have a better understanding of how the two either interrelate or align or what the benefits are of each of them in light of this, saying that the explicit -- the explicit design of homestead preservation Zones was for affordable housing. Which I mean, I understand that, but if we're going to go down tifs and tirz avenues for these in addition to homestead preservation, I just wanted to make sure that we were all reminded of the various elements of those different programs under statute. >> Sure. We'll be happy to put that together. >> Pool: Then on number 3 the recommendation is to discontinue the second street reinvestment zone. Is that something y'all are still recommending doing? And if so is it part of what we will be doing during budget? >> Potentially. We're still exploring the legal mechanisms for unraveling this tif. As has been mentioned this is not your traditional tif. It's not a value based tif. It's just \$100,000 annually that goes to operations, expenses related to maintaining the second street area. So a simpler mechanism for that would be for the city just to meet its contractual obligation through 100,000-dollar line item expense in the budget and this would account towards the five percent cap if we could dissolve it. That's why we're looking into die vesting ourselves of that particular tif. >> Is the \$100,000 that you mentioned for that, is that the same \$100,000 that councilmember tovo was talking about for the parking? Okay. So that is -- no? No? Maybe? >> Tovo: I was linking two different things. I'm in agreement that we

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should -- sort of. I guess what I was noting is that that was -- whether or not -- I was noting that in my opinion we should cut the 100,000-dollar general revenue transfer and not have it as a line item. And instead look to the parking agreements that we currently have that are providing substantial -- that are resulting in substantial loss of revenue and look to that to rebalancing some of those to make up that 100,000-dollar -- what is currently providing 100,000 dollars' worth of investment so we're in alignment. Sort of. >> Pool: Gotcha. But you would agree with what Mr. Van eenoo was saying about the \$100,000, taking that out of the area where it would count against us and putting it in a fund where it wouldn't count against us, count against the cap. >> Tovo: I agree with the first part, but I would suggest we not do the second part either and have a general fund transfer. We need all our general fund revenue. Yes, the mechanism seems complicated to for what is really just a general fund transfer. I agree in ribs Pell with just getting rid of the structure that's making that complicated, but then my second point would be to advocate that we not have that general fund transfer, but we look to fund it through our parking garage. >> Pool: And I agree on both of those. It's unnecessarily complicated and try to find the funding from a different location. And that's all. >> Alter: So do we want to move this forward with a formal vote from audit and finance? Do we want to talk about it again? Do you want to bring it up to work session? We need to decide fairly quickly because we have other items on the agenda. >> Pool: Do we have another opportunity to talk about it? >> Alter: Well, it would be brought up for -- >> We will be bringing the policy changes forward to you as part of your budget informed by the conversation you're having today or the vote. You could certainly vote to endorse these changes today if you wanted to.

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>> Alter: Councilmember Flannigan. >> Flannigan: So I think the first two that are more cleanup we could move those forward with a recommendation from the committee, but I think the tif one we will have to have this conversation at work session. So I don't know that -- I wouldn't vote to move this forward as written. >> Alter: So maybe what we do is we pass the first two and the third one we could make sure that all of them are coming forward at the first work session and we could leave time on our agenda to the extent that there is time in August to have further conversations here in August beyond what was needed in work session. >> We have three work sessions just on the budget scheduled so we could also use some of that time already on your calendar. >> Tovo: I wanted to clarify my request. I was ready to pass that policy in addition to the others at today's meeting. I was suggesting that we have time and it doesn't need to be ought and finance, just to dig a little bit more deeply as a group into the memo. Not into the policy changes. I'm comfortable with the policy changes as they've been recommended. >> Pool: As am I. >> Alter: Mayor? >> Mayor Adler: I think ultimately we will have to discuss this with the council. I would approve it so it doesn't have to come back here, but in any presentation to the council on this if we could highlight the issues that have been raised and in any presentation address the issues, but mention that they were raised here and not necessarily resolved. I'd be fine with that process as well. >> Okay. Do we have a motion. >> Pool: I'll make the >> Alter: Councilmember pool moves to approve the three policy changes. Seconded by -- polled to adopt the recommended policy to send it forward to council for conversation. >> Alter: Seconded by councilmember tovo. All those in favor?

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>> Pool: It's essentially what you said. We're going to adopt this here today and move it forward to council for additional conversation. >> Mayor Adler: I like that language rather than approving it so we don't signal something other than that to the colleagues. Rather than us trying to talk through it and trying to resolve that issue, but the vote is to send it on to the -- to our colleagues. And it will need to be a broader conversation without referencing -- >> Alter: So are you saying you don't want to approve it and send it on? >> Mayor Adler: I would say -- the first two, we could say we approve the first two and we're sending all of them on to the council. >> Tovo: There are varying levels of approval. >> Pool: And we can amend my motion along those lines. We're adopting the -- >> Alter: I think it's important that -- [overlapping speakers]. On item number 3 and we're sending all of them forward to council for additional conversation on all three. >> Mayor Adler: All four. >> Pool: Was there four? >> Mayor Adler: Was there just three? [Laughter]. Sending them all up. >> Alter: So the motion has been amended. All those in favor of the motion, which I think clearly captures our conversation, all those in it's advance on the dais. Okay. Just in the intersection of making sure we get through everything, I'm assuming folks don't have a whole lot of concerns about the bylaws, so maybe we can do the bylaws really quickly to get that done so that we have everyone here for that. And then we'll need to have -- okay. So you want to do the lobbying? Let's do -- thank you. We'll do the lobbying quickly. Do you want to do that last? >> Pool: Fast. >> Alter: We'll do the lobbying fast and the bylaws and then our two presentations and we'll need to keep our conversation to a minimum. Thank you. >> [Indiscernible] Carter with the law department. I am here on the city

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attorney's quarterly report on enforcement of the lobbying regulations. No action is needed on your part. This is the quarterly report and after this due to recent changes there will be an oral report annually, but you will continue to get these written quarterly reports. This is actually the cleanest report that we've had since the major changes went into effect approximately two years ago. We have 112 total lobbyists. 95 are individuals. We only had one that failed to file a quarterly activity report timely. There were three who had late fee notices. All of those were resolved prior to today. And registration fees were paid, client compensation continues to be reported. Any questions? >> Pool: Thank you. Thank you very much. Let's quickly take up bylaws if we're ready, otherwise we'll move on to the mb so we have three items. Items 9, 10 and 11, to consider bylaws if you would like to take up all three of those together, that would be great. >> Good morning, Stephanie hall with the city clerk's office. I have two amendments and we would like to request to withdraw the one for the planning commission. There was another thing they would like to add in accordance with some of the charter and they just want a little bit more time to research. So we'd like to postpone if that's okay. As far as the joint sustain sustainability committee, they are -- the proposed amendment is to remove the open space committee membership and add a design commission representative lightning along with a health and human services nomination. That is in accordance with a change that was laid out in

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ordinance 20180510 Ann 056. >> Pool: I'll move to approve. >> Alter: I'll second. All those in favor? >> Flannigan: Hold on. Staff? Please do not hand out backup in the middle of the >> We had it in the backup. I'm just saying. >> Flannigan: My point is that there's no reason why it couldn't have been on the table. Like I'm just getting to it now. >> Alter: We'll pause for you then. Let's hold off on motion until we talk about the other country as well. So basically for joint sustainability committee, you are adding the design commission. We are adding that the council committee assigned oversight and social service policies, which is currently health and human services, will nominate one, and we're taking off the open space committee, which no longer exists. >> Pool: And this is as council had directed you. >> Correct. >> Alter: Do you want to do the other one and then we'll come back to the vote? >> Sure. For the commission for women, the commission would like to amend their mission statement as follows: Service and advisory body that advocates for and inspires the city council and city manager to prioritize women's quality of life so that Austin becomes the most equitable city in the nation for women and girls. The commission shall develop goals and coordinate research for planning, programming and action relating to opportunities, needs, problems and contributions of women in this city. And this is requested by them because they would like to have -- they would like to reemphasize their focus that they serve as an advisory body that advocates for and inspires city council and city manager to prioritize women's quality of life so that Austin becomes the most equitable city in the nation for women and girls. >> Alter: Thank you. I had an opportunity to speak with my commissioner and a couple of other folks from the commission about this. And just want to thank the commission for really focusing in and being strategic on the areas that

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they want to focus on. And I've seen a real strong track record of theirs in actually helping us to achieve those policies and I support this mission wholeheartedly. Did you have enough time to would you like to make a motion? >> Pool: I'll make a motion to approve both of these. That would be items 9 and 11. Because we're skipping 10. >> Correct. >> Alter: 10 will be withdrawn. Do I have a second? Councilmember tovo? Did you want to speak? >> Tovo: Yes. I want to again thank the women's commission as well. And just remind anyone who is listening that this was a commission that was actually slated to be ended when we switched over to 10-1, and I just am really so thrilled that -- that there was a vote to continue it and that the women's commission continues to do work and advocacy that is relevant and important. And I appreciate it. >> Alter: >> Alter: All those in favor? It's unanimous on the dais. Thank you very much. If we could have item 7 come up, update on major initiatives related to the mbe/wbe, westbound procurement program and the small business resources department. And just in terms of time, we have 11:30. Are folks able to stay a few minutes after or not? We will end at 11:30 so if we can do this in a about 10 minutes each, that would be great. Good morning. >> Good morning. I'm Edward campos, director for -- interim director for the minority and small business

resources department. I am have with me Tanya, Elton, our certification division manager. We're going to go going over some major initiatives that

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smbr is working on. Can you go to the next slide, please? We'll be talking about the disparity study, our mbe/wbe/westbound outreach plan and the certification compliance sorry. So this point I'll turn it over to Ms. Saldana who will present the disparity study. >> Hello again. I'm Tamela Saldana, the compliance officer with smbr. I will be also for procurement that's coming up shortly the project manager for the disparity study. I want to briefly share with you about the disparity study and our efforts going forward. Why is a disparity study necessary? The disparity study is legally required to continue the mbe/wbe program. It's an industry standard required by federal law for any affirmative action based program or entities that receive public funds conduct a disparity study. The disparity study also will assist us in making recommendations to improve our mbe/wbe program and it also provides a legal vents regarding the city's established mbe/wbe overall goals for the city. The city of Austin has conducted several disparity studies in the past. I won't read them in-depth, but we have provided you with a general overview of the results of several disparity studies that have been conducted in 1987, 1992, 2003, 2005, 2008 and 2015 in which each of these studies have provided significant improvements to certification processes, also assisted in establishing several processes and procedures to improve opportunities for minority owned businesses. To include our FFE, our good faith effort processes that are currently included in

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our program as well. Upcoming we have a procurement. I'm sure you guys have heard that we are in need of conducting a disparity study. We are proposing -- and this is a very tentative schedule that's probably subject to change, but we're hoping to release the solicitation of July of 2019 for the upcoming disparity study. We also have identified the evaluation period to be in September of 2019. And also include the rca for council consideration for October of 2019 and hope to have again a very tentative schedule of contract execution of October of -- or November of 2019. >> Our westbound ordinance sunsets the end of March of so as soon as we get the consultant on board, we will flesh out a plan of how long the consultant thinks the disparity study will take from initiation to final study -- final draft study. At that point I'd like to come back to council, hopefully in December, to extend the current ordinance so that it allows us time to engage our stakeholders, conduct a disparity study and then give us some breathing room if there are questions or concerns, allow some flexibility. So that will be coming up in December, an rca, to extend the ordinance. One of the other things that we're working on very diligently is our mbe/wbe outreach plan. If you recall, the outreach plan was developed to support the 2016 mobility bond, specifically the nine corridors included in that mobility bond. There were over 30 action items identified for us to undertake. There were eight key issues that the community and our

stakeholders have identified as barriers to participating in projects like this and those action items will help

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us alleviate those issues. As you recall in December of 2018 council took action on two of these items. One was removal of the annual certification requirements. That was seen as a barrier for our participation efforts for our mbes and wbes. And we extended the sex period from three to four years. So those were the most recent changes. We've also included a rapid certification process. Mr. Price and his team, we've certified 53 new firms that have scopes of work that will be used as part of the corridor program. So we're very excited about that. One of the items that has received a lot of attention is our good faith effort pilot program. The good faith effort pilot program is intended to reduce the administrative burden both from the prime side as well as the subcontractor side. This was something that also was brought up by various stakeholders so we initiated a process where smbr will undertake step one of a seven step process. Step one is seen as the most cumbersome, the most administrative burden process so we're going to remove that process as we will undertake that for our prime bidders. This was alleviate the administrative burden across the board. The first project we're excited to announce got released yesterday. It is clmc 746, that's the solicitation number. It is out on the vendor connection. It advertised yesterday, June 24th, and scheduled to open August 1st. So we're very excited about that project. I'm going to turn it over now to Mr. Price he's going to talk about, as well as Ms. Saldana, will talk about our software for certification and compliance improvements. >> Thank you. Good morning. So currently the city of Austin we have about 1092 firms certified in Austin.

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We've been working with stm with btg now to implement a software that would extend and help the city with their certification process. It has an online application module, the certification module. We will talk more about the compliance module. The online application module will assist us in making sure that we process certification applications in a timely manner. Also assist counselors with their workload. So we are very excited about that. We've been working with ctm as a part of getting the data needed for this particular software. We are one of -- all of the certifying entities in the state of Texas uses this B 2 G now software, so we're very excited to be able to communicate as far as the certifications and compliance area once we have this software. >> Our process currently is very paper driven, so we're excited to do something not only from the staff perspective, but more importantly for our vendors who can go online and submit their application versus having to come to our office, submit paperwork. Everything can be done through an electronic application process. So that's very exciting for us. >> And I am equally excited. Are you done, Mr. Price? >> I am. >> I'm equally excited on the compliance side to have B 2 G. We're in the phase 2 portion. Certification was phase 1. But we have been working diligently with ctm who have been awesome partners with smbr, internal partners with smbr. We have been work

to go create specialized reports. Often times we are unable to pull specialized reports about certain business intelligence for the mbe/wbe

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specifically. And this particular software will allow us to do that and be able to answer specific questions and do that efficiently. So we are very excited about that ability with this software. We also in addition as Elton was stating, the online process of being able to submit information required, compliance related forms like the subutilization form where primes submit utilization of mbe/wbes on their compliance plan will be an online process now rather than a paper copy, hard copy that's scanned, emailed to us, printed off and we reenter that data into the database. So that will improve process time and efficiency of having realtime data regarding the contracts and the participation on those contracts. >> And that one process is hundreds of documents that we have to manually enter. >> It's actually thousands, speaking as the manager for that. [Laughter]. It's actually thousands that come in and it's a tedious paper driven process. So we're really excited to have that particular piece. >> Thank you. >> That concludes our update. If there are any questions from the committee? >> Alter: Thank you very much. I really appreciate that. Looking forward to the disparity study going forward and hopefully we have -- have moved forward in a way so that the community that's concerned is comfortable with as well. Does anyone else have any questions or comments? Mayor? >> Mayor Adler: Just a real quick question. It used to be under past structures of council that there was a regular committee that dealt with the issues in your department. And there was like a regular reporting associated with that. As we restructure the committees, that went away and there was no longer a opportunity for a regular we've heard from some folks in the community that they

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miss that kind of regular reporting as to progress and where we are and how the programs are working. Does that make sense for us in the audit and finance committee to have you come back quarterly just to talk about what's happening in the department to make it so that it's elevated and the community can see both opportunities and performance? Because it used to happen I think monthly or more regularly and now it's not happening. Does it make sense for us to find -- to do that again? Albeit with not the frequently that is used to happen? >> I think maybe a quarterly basis for us, things move a little slowly for us in terms of project progression. I think it would make more sense to come on a semi-annual basis where we could talk to you about our key perform indicators. We can give you updates as to where we are with the disparity study and other important initiatives. I don't know if quarterly we would have the information to make it worthwhile for council. >> So madam chair, I would recommend for consideration that we go back to semi-annually to just give us a report for what would be important for the community to know. >> Alter: Thank you. I think that was partially the underlying factor, the council committee not being there. That was the reason in part we were having this update today. We can check in in six months and make sure that we have something to report given the study and process, et

cetera, we likely will. I think that's a good idea and I appreciate that. There is a commission that is associated with these programs I know my commissioner has other commitments that she wants to pursue right now, so I have an opening if anyone is interested in applying for that. And I believe there have been some issues of quorum for that as well.

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So just want to encourage folks to be looking at that so we make sure that we are -- have an opportunity for these conversations. So thank you very much. We really appreciate you coming and we look forward to hearing from you again in this setting and with respect to the authorization of the study, et cetera. >> We appreciate the invite and look forward to coming back. Thank you. >> Alter: Mr. Van eenoo, I think you are the last item before future items. Item number 8, update on the city's overall capital improvement program. >> Good morning again, mayor and councilmembers. Ed van eenoo, deputy chief financial officer. I'm going to try to give you very, very quick because I know we have an 11:30 hard stop, on the city's overall capital improvement program. We were asked to do this looking really more so at the non-major enterprise you can see over the next five years we are projecting \$5.7 billion of planned capital spending across our entire enterprise. That's really the way to look at the cfe. You have to look at a longer term perspective and looking at planned spending. The major surprises here include Austin energy, Austin water Austin recovery and the convention center. That's part of the amount. We are not asked about that today, but we were asked to focus in on the other departments, which is 2.3 billion of planned spending. You can see the major categories there. Watershed protection, public works, those are enterprise operations in our city, but we've included them here because they have heavily funded will you the bond programs. What I'm going to show you is how that 2.3 billion is going to be funded. This is just looking at the funding sources for those John major enterprises. A couple of things to pilot here is that the majority of

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the funding comes from the bond programs. You see the 2018 bond, the 2016 bonds. You see the other improvement bonds, that's the money left in the 2006, 2010, 2012 bond programs. But one thing I would like to highlight it if you look at the debt organization of this, about 80% of our general obligation debt is coming from voter approval as opposed to that non-voter approved piece, that 352 million. That's only 20%. Your financial policies call -- set a priority for going to the voters for approval on general obligation bonds. 80% of the bonds are approved from the voters for go debt and so we're certainly complying with that policy. In the types of things we use non-voter approved debt for, you can see the policies call for like urgent things, like the fire stations and the watershed protection money was for the flood buyouts. Your financial policies also envision the use of non-voter approved debt where it's in the city's economic best interest, so things like real estate transactions, like the development services center or the new homeless shelter that you recently approved the purchase of, those types of real estate transactions don't really lend themselves to a cyclical voter approval process. You need to strike when

the economic opportunity presents itself. The other piece here has to do with current revenue. That simply is language for triply departments that transfer funds from the funds. The watershed department has the capital program, the biggest piece of that, but also a lot of our communications and technology management projects are funded through current revenues because they don't lend themselves to issuing bonds for. On this slide we are -- we were asked to drill down a little bit more on the 2016 and '18 bond program. This is again on taking that

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five-year perspective. You remember the 2016 mobility bond, three major categories of spending there. Regional mobility projects, local mobility projects and then the biggest chunk, corridor improvements. So you can see what the plan spending is in these early there's a lot of sign work going on related to the corridors, but that is projected to ramp up significantly in fiscal year '22 as we start to see the construction of those project designs begin to Derr. There's been about \$100 million of expenditures from this bond year to date and the 373 of planned spending. We are projected to have spent \$673 million of the 720-million-dollar bond. So it will be all but completed on time by fiscal year 24. In regards to the 2018 bond, this is kind of a loud graph, but there were seven propositions on the 2018 bond, a total bond of \$925 million. Again, this is just looking at that five-year window. We do a rolling five-year cap plan. We have \$738 million of planned spending. I know sometimes you might want to get into the details of this and if you can give us some more feedback on what kind of details you would like to here, we can make sure to have departments come and give you some feedback. So when I was briefing councilmember pool on this yesterday, she was talking about the aquatics. That's the yellow piece of this slide, the parks and we could certainly have them come back and give more details about what are the details of their planned aquatic spending. There's so much information encapsulated on this. If you want some more detailed presentations, if you let us know those propositions or specific program areas, we'd be happy to get staff to come back and give you more details on that. We also get asked a lot

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about where does council interact with all this money. Where do council put a stamp on the cap. These are the three major ways. You talk about going back to the \$2.3 billion where most of the funding is coming from voter approved bond programs. Council obviously has a huge say in what those bond propositions are going to be and the dollar amounts. In the last two bonds we've also had a contract with voters that further lays out council's direction on the spending of the bond dollars. Council approves a number of master plans. I just put a few examples up here, the strategic mobility plan, the sidewalk master plan, the bicycle parks plans. These plans the council reviews and approves, they then become the backbone of the department's cap spending. And finally through council resolutions, whether it be the resolution on fire stations or flood buyouts or additional shelters for people experiencing homelessness, that direction all kinds of its way into our capital program. So really the large chunk of the capital program is informed through these types of planning documents. So finally I want to

highlight there is a lot more information similar to on the operating budget, there is a lot more information out on our website. We have this open budget atx tool. I know you've seen it. We also have it for the capital budget where you can go department by department and drill down on their capital spending, their total appropriations, what they've expended to date. All that information is available. And then the one thing we're really excited about, this is in development. We hope to have it up for you by the end of October, but this would be another online tool where you will be able to go and now get more specific information about individual projects. The other tool is really looking at total spending and what's the total budget in Austin energy, for example, for capital expenditures, how much have they spent to date. What projects is that spending going to. This is intended to give you

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more information about individual projects, whether it be this example here on urban trails or the new central library or projects that are happening out at the airport or projects that are happening along the corridors, you would have a place to come to to find out more information. As on this example, the bike trail, what the total budget is, when we anticipate the project to complete, where in the city the project is located, you will see on this one it's actually got a little thing that says project website. So where there is additional information that's available from department on the project, you will be able to click that link and go to a specific project website. So again, this more granular level of detail will be at your disposal we hope by October at the latest. We're still working on some technical glitches on getting the system up and running and out. And that is my presentation. I hope -- hopefully made it by 11:30. >> Alter: Thank you. Appreciate that, the capital improvements are really important part of our budget and I think it's important that we spend some time thinking about them. So I appreciate this overview. Councilmember Flannigan asked me to thank you for doing color-blind friendly graphs. I think of rest of us may take a little time to get used to those, but I know he's appreciative. Are there any other comments on this at this point? Councilmember pool? >> Pool: Just thanks for mentioning about aquatics and the capital improvements there and also with the parks. Can we have maybe an item in August or September, at one of the next meetings, to see how the capital improvements are doing from the 18 bonds, specifically from parks and aquatics and I don't know if there may be interest in some others. >> We can certainly get them ready whether it's to come back and talk to this group or just to provide a memorandum response about the owe their funding plan. I think it was \$40 million from 2018 and they would be able to lay out more details the projects they're proposing to do and the

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timelines. Either one. >> Alter: Go ahead. >> Pool: Can you read us the url for the explorer? I guess it will just be on Austin finance online site and then the explorer buttons for budget and for capital improvement projects? Are on the main page? >> If you just Google open budget atx you will find the one website, the capital project explorer. We have a version of that up and running for the mobility bond. We're working on getting it done for the entire capital program, but that won't be available until

October. >> Pool: Okay. I'm going to include the urls in my next newsletter. >> I'll make sure I send them to you. >> Alter: Yeah, if you could send them to everyone, that would be great. Just in terms of the memo, I think we've heard a little more gale on some of the other bonds than we have on the parks and the library cultural centers. I'd be curious about the timing for those. We heard a lot about housing and some of the transportation things in terms of focus. In August we have the permitting August, we have the wildfire audit. We will also be discussing the draft 2020 audit plan. In August. And I'm going to be traveling to a parks conference in September and will be looking to see whether we can move that meeting from the Wednesday to the Thursday. If not, then vice-chair pool will take over and I'll just miss meeting and we'll work with Ms. Stokes to make that arrangement. Are there any other comments on future agendas? Great. Thank you, Mr. Van eenoo. Appreciate it. We are adjourned. It is 11:32.